

ALPINE COUNTY ECONOMIC FORECAST

The Alpine County economy has struggled to create jobs. Over the last five years, it has created only 40 jobs, making it one of the slowest growing economies in California. The service-providing sector has been responsible for virtually all job creation, while the goods-producing industry and the government sector have been largely unchanged.

The Alpine County unemployment rate continues to improve, falling from 6.6 percent in 2016 to 6.3 percent in 2017, which is near its lowest level on record. How can the unemployment rate be near record lows when the economy is growing so slowly? Because local residents are retiring at a rapid rate. Almost a quarter of the Alpine County population is at retirement age, and as people leave the labor force, there are not enough working-age residents to replace them.

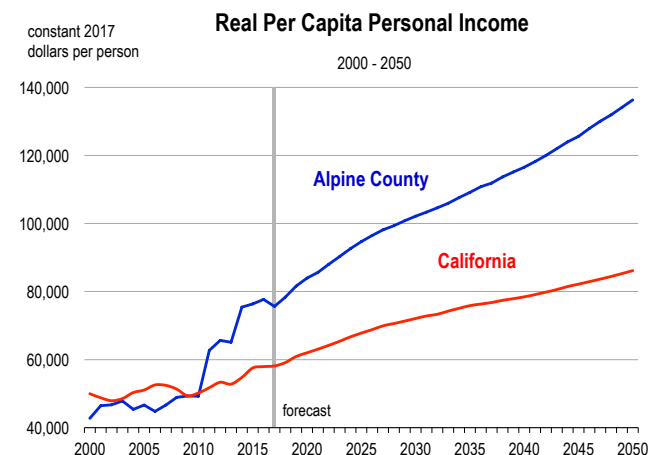
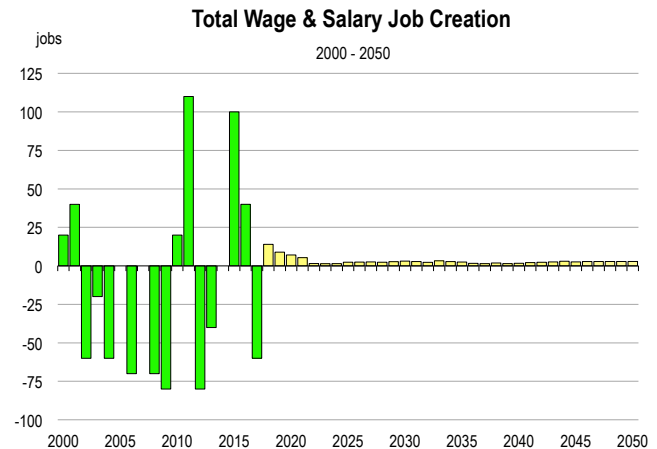
Alpine County's population has been declining for most of the last decade. Net migration has been stagnant, with an equal number of people moving into the county as those moving out. At the same time, there have been more deaths in the county than births, causing the population to shrink.

Due to a slowly-growing economy and a shrinking population, there has been virtually no homebuilding activity in Alpine County. Between 2012 and 2017, an average of only 3 homes were built each year. The same is true for commercial and industrial construction. Over the last five years, an average of only \$1.4 million has been invested into non-residential structures each year, with the majority going to renovations of existing buildings.

Population decline is expected to continue in Alpine County, placing the economy at risk of long-term stagnation. Stagnant economies are often characterized by subpar job creation, income growth, and government revenues, preventing living conditions from improving and making it difficult for local governments to provide adequate public services.

FORECAST HIGHLIGHTS

- Total wage and salary employment will increase slowly over the forecast period. Between 2018-2023, growth is expected to average 0.6 percent per year.
- Average salaries are near the California State average, and will remain so over the forecast period. In Alpine County, inflation-adjusted salaries are expected to rise by an average of 2.0 percent per year between 2018 and 2023, which will be similar to statewide growth.
- Between 2018 and 2023, the government sector is expected to create 10 to 20 new jobs. The service-providing sector will create 5 to 15 new jobs, and the goods-producing sector will generate fewer than 10 new jobs.
- The county population is expected to decline by 0.3 percent per year between 2018 and 2023.
- Net migration will be positive over the forecast horizon, but will be very low. Over the entire 2018-2023 period, fewer than 20 net migrants are expected to enter the county. Deaths will continue to outnumber births, reducing the population by approximately 30 residents over this period.
- Very few new homes will be built between 2018 and 2023, with an average of 6 new homes breaking ground each year.

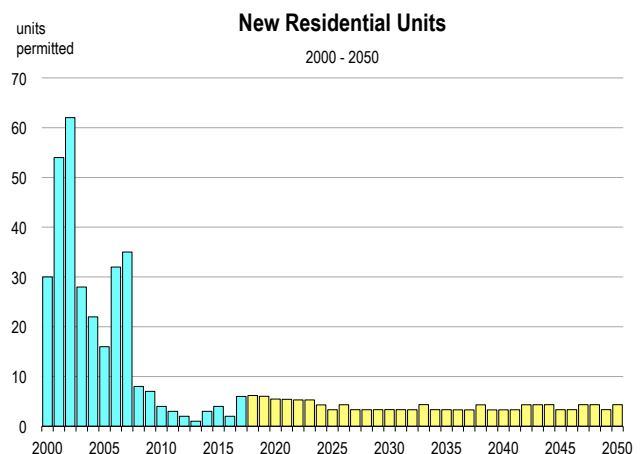
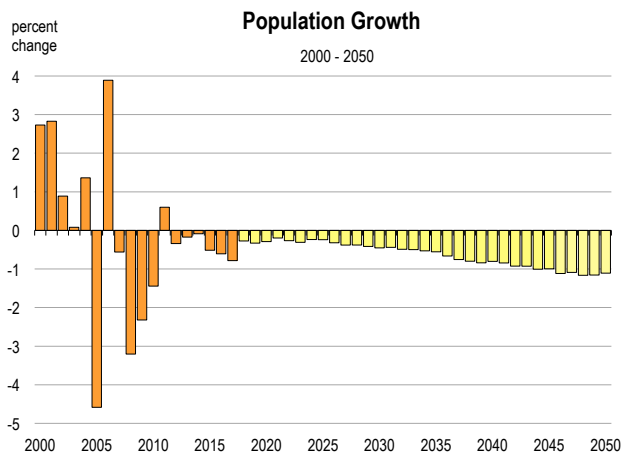


Alpine County Economic Forecast

2010-2017 History, 2018-2050 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value*	Real Industrial Production (millions)	Unemploy- ment Rate (percent)
2010	1,163	-17	2.0	0.5	4	\$24	\$49.43	\$49,238	1.3	0.0	4.8	13.2
2011	1,170	12	1.9	0.5	3	\$23	\$65.04	\$62,733	2.7	0.0	2.2	13.1
2012	1,166	0	2.0	0.5	2	\$26	\$69.33	\$65,637	2.7	0.0	4.7	11.4
2013	1,164	0	2.9	0.5	1	\$30	\$69.68	\$65,135	2.3	0.0	2.4	9.8
2014	1,163	0	3.6	0.5	3	\$37	\$82.13	\$75,448	2.8	0.0	5.1	8.2
2015	1,157	0	4.4	0.5	4	\$47	\$83.88	\$76,370	2.6	0.0	7.8	7.4
2016	1,150	0	3.4	0.5	2	\$57	\$86.77	\$77,682	3.1	0.0	5.1	6.6
2017	1,141	0	3.0	0.5	6	\$42	\$86.32	\$75,650	3.2	0.0	2.6	6.3
2018	1,138	2	3.0	0.5	6	\$46	\$91.75	\$78,348	3.7	0.0	4.6	5.7
2019	1,134	2	3.0	0.5	6	\$49	\$97.55	\$81,648	3.1	0.0	4.7	5.3
2020	1,131	3	3.1	0.5	5	\$52	\$103.43	\$83,981	4.1	0.0	4.8	5.4
2021	1,129	4	3.1	0.5	5	\$54	\$108.21	\$85,645	3.6	0.0	5.0	5.4
2022	1,126	4	3.1	0.5	5	\$57	\$113.92	\$88,008	3.5	0.0	5.2	5.9
2023	1,122	4	3.1	0.5	5	\$59	\$119.59	\$90,278	3.4	0.0	5.4	6.1
2024	1,119	5	3.1	0.5	4	\$62	\$125.43	\$92,621	3.3	0.0	5.6	6.2
2025	1,117	5	3.2	0.5	3	\$64	\$130.89	\$94,665	3.1	0.0	5.7	6.3
2026	1,113	4	3.2	0.5	4	\$66	\$136.02	\$96,498	3.1	0.0	5.9	6.4
2027	1,109	4	3.2	0.5	3	\$69	\$140.88	\$98,183	3.0	0.0	6.0	6.4
2028	1,105	4	3.3	0.5	3	\$71	\$145.59	\$99,367	3.3	0.0	6.2	6.3
2029	1,100	4	3.3	0.5	3	\$73	\$150.52	\$100,842	3.1	0.0	6.4	6.4
2030	1,095	4	3.3	0.5	3	\$75	\$155.14	\$102,160	3.0	0.0	6.5	6.3
2031	1,090	4	3.3	0.5	3	\$77	\$159.50	\$103,327	2.9	0.0	6.7	6.3
2032	1,085	4	3.3	0.5	3	\$80	\$164.35	\$104,588	3.1	0.0	6.9	6.4
2033	1,080	4	3.4	0.5	4	\$82	\$168.81	\$105,950	2.7	0.0	7.1	6.2
2034	1,074	4	3.4	0.5	3	\$84	\$174.12	\$107,605	2.9	0.0	7.3	6.3
2035	1,068	4	3.4	0.5	3	\$86	\$179.46	\$109,121	3.0	0.0	7.5	6.3
2036	1,061	3	3.4	0.5	3	\$89	\$185.71	\$110,796	3.4	0.0	7.8	6.5
2037	1,053	2	3.4	0.5	3	\$92	\$191.18	\$111,903	3.5	0.0	8.0	6.3
2038	1,045	2	3.4	0.5	4	\$94	\$197.51	\$113,697	3.3	0.0	8.2	6.4
2039	1,036	2	3.4	0.5	3	\$97	\$203.74	\$115,167	3.5	0.0	8.5	6.3
2040	1,027	3	3.4	0.5	3	\$100	\$209.87	\$116,559	3.4	0.0	8.8	6.3
2041	1,019	3	3.5	0.5	3	\$103	\$216.08	\$118,192	3.2	0.0	9.0	6.3
2042	1,009	3	3.5	0.5	4	\$106	\$222.42	\$120,035	3.1	0.0	9.3	6.3
2043	1,000	3	3.5	0.5	4	\$108	\$228.96	\$122,035	3.0	0.0	9.6	6.3
2044	990	2	3.6	0.5	4	\$111	\$234.89	\$123,991	2.8	0.0	9.9	6.2
2045	980	2	3.6	0.5	3	\$114	\$240.78	\$125,612	3.0	0.0	10.3	6.2
2046	969	2	3.6	0.5	3	\$117	\$247.61	\$127,945	2.9	0.0	10.6	6.3
2047	959	2	3.6	0.5	4	\$120	\$254.26	\$130,094	2.9	0.0	11.0	6.3
2048	947	2	3.7	0.5	4	\$123	\$260.17	\$131,916	2.9	0.0	11.3	6.2
2049	937	2	3.7	0.5	3	\$125	\$266.97	\$134,130	2.9	0.0	11.7	6.2
2050	926	2	3.8	0.5	4	\$129	\$274.01	\$136,344	2.9	0.0	12.1	6.2

*Alpine County crop values are included with El Dorado County crop values



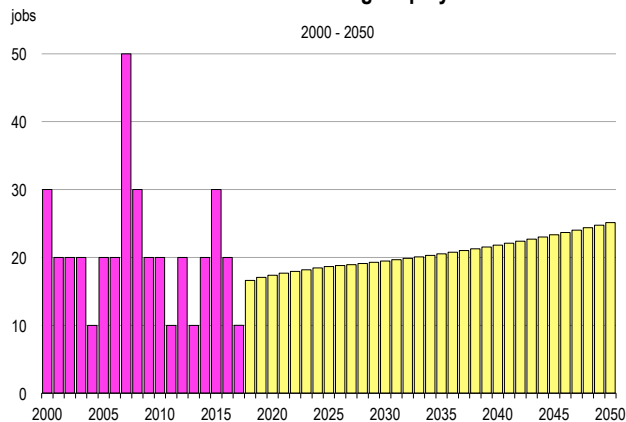
Alpine County Employment Forecast

2010-2017 History, 2018-2050 Forecast

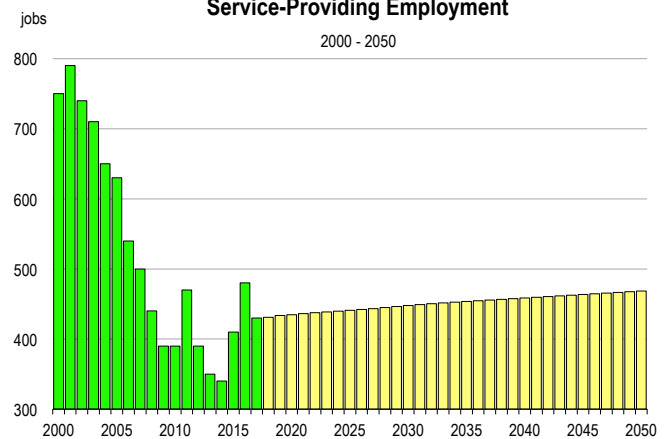
	Total Wage & Salary*	Goods Producing	Service Providing	Government
-----employment (thousands of jobs)-----				
2010	0.69	0.02	0.39	0.28
2011	0.80	0.01	0.47	0.32
2012	0.72	0.02	0.39	0.31
2013	0.68	0.01	0.35	0.32
2014	0.68	0.02	0.34	0.32
2015	0.78	0.03	0.41	0.34
2016	0.82	0.02	0.48	0.32
2017	0.76	0.01	0.43	0.32
2018	0.77	0.02	0.43	0.33
2019	0.78	0.02	0.43	0.33
2020	0.79	0.02	0.43	0.34
2021	0.80	0.02	0.44	0.34
2022	0.80	0.02	0.44	0.34
2023	0.80	0.02	0.44	0.34
2024	0.80	0.02	0.44	0.34
2025	0.80	0.02	0.44	0.34
2026	0.80	0.02	0.44	0.34
2027	0.81	0.02	0.44	0.34
2028	0.81	0.02	0.44	0.35
2029	0.81	0.02	0.45	0.35
2030	0.82	0.02	0.45	0.35
2031	0.82	0.02	0.45	0.35
2032	0.82	0.02	0.45	0.35
2033	0.82	0.02	0.45	0.35
2034	0.83	0.02	0.45	0.35
2035	0.83	0.02	0.45	0.35
2036	0.83	0.02	0.45	0.36
2037	0.83	0.02	0.46	0.36
2038	0.83	0.02	0.46	0.36
2039	0.84	0.02	0.46	0.36
2040	0.84	0.02	0.46	0.36
2041	0.84	0.02	0.46	0.36
2042	0.84	0.02	0.46	0.36
2043	0.84	0.02	0.46	0.36
2044	0.85	0.02	0.46	0.36
2045	0.85	0.02	0.46	0.36
2046	0.85	0.02	0.46	0.36
2047	0.86	0.02	0.47	0.37
2048	0.86	0.02	0.47	0.37
2049	0.86	0.02	0.47	0.37
2050	0.86	0.03	0.47	0.37

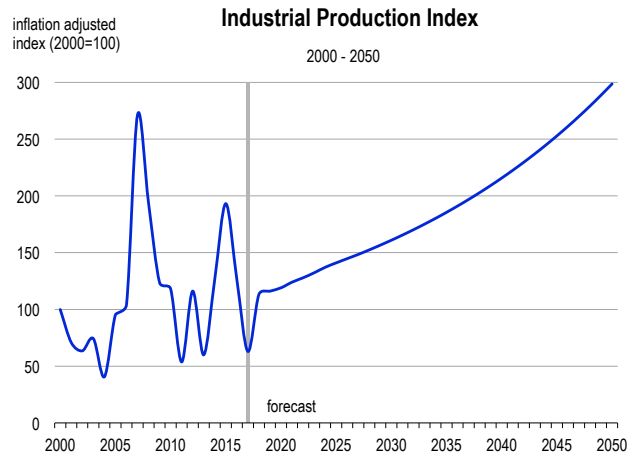
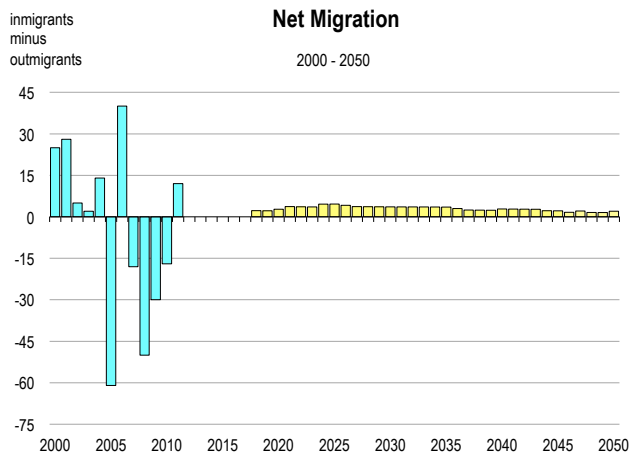
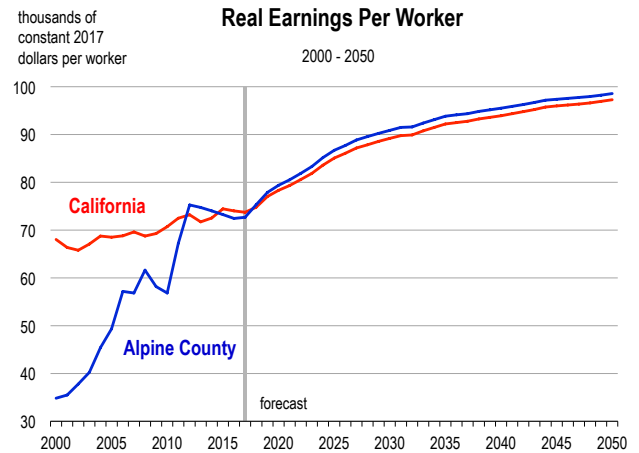
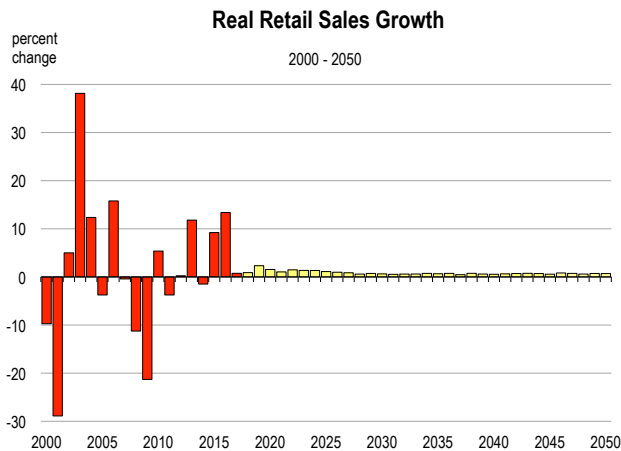
*Alpine County farm data is included with El Dorado County farm employment

Goods-Producing Employment



Service-Providing Employment





County Economic and Demographic Indicators

Projected Economic Growth (2018-2023)

Expected retail sales growth:	8.0%
Expected job growth:	3.1%
Fastest growing jobs sector:	Government
Expected personal income growth:	13.6%

Expected population growth:	-1.4%
Net migration to account for:	N/A
Expected growth in number of vehicles:	2.8%

Demographics (2018)

Unemployment rate (April 2018):	3.6%
County rank* in California (58 counties):	20th
Working age (16-64) population:	61.3%

Population with B.A. degree or higher:	27.9%
Median home selling price (2017):	\$276,000
Median household income:	\$53,577

Quality of Life

Violent crime rate (2016):	522 per 100,000 persons
County rank* in California (58 counties):	42nd
Average commute time to work (2018):	28 minutes

High school drop out rate (2017):	0%
Households at/below poverty line (2018):	8.6%

* The county ranked 1st corresponds to the lowest rate in California